

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

LECTROLARM CUSTOM SERVICES,)	
INC.,)	
)	
Plaintiff,)	
)	
v.)	No. 03-2330 Ma/A
)	
VICON INDUSTRIES, INC.,)	
et al.,)	
)	
Defendants.)	

ORDER DENYING DEFENDANT SENSORMATIC'S MOTION FOR SUMMARY JUDGMENT
OF INVALIDITY OF CLAIMS 1-5

Before the court is Defendant Sensormatic Electronics Corp.'s ("Sensormatic") motion for summary judgment of invalidity of patent claims 1-5, filed on September 24, 2004. Plaintiff Lectrolarm Custom Services, Inc. ("Lectrolarm") filed a response on December 17, 2004. On September 2, 2005, the court filed its Memorandum Opinion and Order on Markman Motion ("Markman Order"). In response to the court's claim construction, Sensormatic filed a memorandum in further support of its motion for summary judgment on October 14, 2005. Lectrolarm filed a response on November 14, 2005. Sensormatic filed a reply on November 30, 2005. For the following reasons, summary judgment of invalidity of claims 1-5 is DENIED.

I. Background

On May 12, 1989, a patent for a remote control apparatus for a rotating camera base was filed with the United States Patent and Trademark Office ("PTO"). The PTO issued U.S. Patent No. 4,974,088 (the "'088 patent") to inventor Takeshi Sasaki on November 27, 1990. The technology at issue is an apparatus that uses computer memory and digital communication to allow remote control "rotation of a monitoring television camera in the horizontal and vertical directions." U.S. Patent No. 4,974,088, Column 1:6-8. The patent was originally assigned to Maruwa Electronic & Chemical Company ("Maruwa"). Maruwa assigned the patent to Lectrolarm. Lectrolarm alleges that the Defendants have infringed the '088 patent.¹

II. Standard for Summary Judgment of Invalidity

The party moving for summary judgment "bears the burden of clearly and convincingly establishing the nonexistence of any genuine issue of material fact, and the evidence as well as all inferences drawn therefrom must be read in a light most favorable to the party opposing the motion." Kochins v. Linden-Alimak, Inc., 799 F.2d 1128, 1133 (6th Cir. 1986). The moving party can meet this burden by pointing out to the court that the respondents, having had sufficient opportunity for discovery, have no evidence to support an essential element of their case.

¹Originally there were 14 defendants; four remain.

See Street v. J.C. Bradford & Co., 886 F.2d 1472, 1479 (6th Cir. 1989).

When confronted with a properly supported motion for summary judgment, the nonmoving party must set forth specific facts showing that there is a genuine issue for trial. A genuine issue for trial exists if the evidence is such that a reasonable jury could return a verdict for the nonmoving party. See Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248 (1986). The party opposing the motion must "do more than simply show that there is some metaphysical doubt as to the material facts." Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp., 475 U.S. 574, 586 (1986). The nonmoving party may not oppose a properly supported summary judgment motion by mere reliance on the pleadings. See Celotex Corp. v. Catrett, 477 U.S. 317, 324 (1986). Instead, the nonmoving party must present "concrete evidence supporting its claims." Cloverdale Equip. Co. v. Simon Aerials, Inc., 869 F.2d 934, 937 (6th Cir. 1989). The district court does not have the duty to search the record for such evidence. See InterRoyal Corp. v. Sponseller, 889 F.2d 108, 110-11 (6th Cir. 1989). Nonmovants have the duty to point out specific evidence in the record that would be sufficient to justify a jury decision in their favor. See id.

"A patent is presumed to be valid and this presumption only can be overcome by clear and convincing evidence to the contrary." Helifix Ltd. v. Blok-Lok Ltd., 208 F.3d 1339, 1346 (Fed. Cir. 2000)(internal citation omitted). Therefore, in

addition to showing that there is no genuine issue of material fact, the movant must present clear and convincing evidence that the claims in the '088 patent at issue were anticipated by a prior invention that meets the requirements of 35 U.S.C. § 102(b) to be entitled to summary judgment of patent invalidity. See Helifix, 208 F.3d at 1346.

III. Analysis

Sensormatic alleges that claims 1-5 of the '088 patent are invalid under 35 U.S.C. § 102(b) because those claims were anticipated by products sold by Sensormatic before May 12, 1988, as part of its SensorVision line. Specifically, Sensormatic's motion refers to two systems: (1) an RC20PG controller with an RA412C programmable dome, and (2) an RC20PG controller with an RA444S programmable mini-dome. (Pl.'s Mem. Opp'n Summ. J. 6.)

A. On Sale Bar

For a patent to be invalid under the on sale bar of the Patent Code, the invention claimed in the patent must have been "on sale in this country more than one year prior to the date of the application for patent in the United States." 35 U.S.C. § 102(b). Because the application for the '088 patent was filed on May 12, 1989, the critical date for purposes of the on sale bar is May 12, 1988.

Two conditions must be satisfied for the on sale bar to apply. First, there must be a "commercial offer for sale" of the product. Pfaff v. Wells Electronics, Inc., 525 U.S. 55, 67 (1998). Second, the invention must have been ready for patenting

before the critical date, which can be shown by proof of reduction to practice or by proof that sufficiently specific drawings or other descriptions of the invention had been made such that a person skilled in the art could construct the invention. Id. at 67-68. The evidence, taken in the light most favorable to Lectrolarm, shows that one of the two SensorVision systems, the RC20PG controller with an RA412C programmable dome ("SensorVision dome"), satisfies both elements of the on sale bar.

Sensormatic has produced order forms showing that Montgomery Ward placed orders for both RC20PG controllers and RA412C programmable domes for several of its stores on November 25, 1987. (Def.'s Mem. Supp. Summ. J. Ex. K.) The evidence further shows that this was a commercial sale rather than an experimental use. (Id. Ex. I.) Second, the information in the 1986 "SensorVision Programmable Systems Technical Service Manual" ("86 manual") provides sufficiently specific drawings or other descriptions of both the RC20PG controller and the RA412C programmable dome to satisfy the second element of the on sale bar. (Id. Ex. C at 5-61 to 73, G-6, G-12.)

Lectrolarm argues that the '86 manual cannot be used to show that the SensorVision dome was prior art under 35 U.S.C. § 102(b) because it was not publicly available, but only an internal service manual. This argument is unavailing, however, because Sensormatic's claim for invalidity is based on the on sale bar of the Patent Code, not the printed publication bar. The '86 manual

is relevant, not because it was publicly available, but because it provides detailed information about the design and functions of the SensorVision dome. See Pfaff, 525 U.S. at 68 (finding that drawings of an invention that were sent *only* to the manufacturer before the critical date were sufficient to show that the invention was ready for patenting).

Lectrolarm further notes that the '86 manual states,

The information contained in this manual is preliminary. Major restructuring of, and additions to, the product line are expected in the near future. In particular, the manual refers to the RR532...and RU501...even though these products are not yet released and complete information is unavailable.

(Def.'s Mem. Supp. Ex. C at 1-1.) Lectrolarm argues that this statement indicates that the manual is not a reliable source for determining the design and capabilities of the SensorVision dome. This introductory information, however, does not mean that information on the RA412C programmable dome or RC20PG controller is inaccurate.

It does appear, however, that the capabilities of the SensorVision dome had expanded beyond those described in the '86 manual by 1988. The '86 manual does not discuss the sequence feature described in the 1988 SensorVision Owners Manual ("Owners Manual"). (Id. Ex. E at 13.) Capabilities described in the Owners Manual cannot be considered by the court in its analysis of claim invalidity because, given only a copyright year of 1988, the court has insufficient information to determine whether the Owners Manual was published before or after May 12, 1988. That

additional functions may have been added to the SensorVision dome after the publication of the '86 Manual does not, however, make the information in the '86 Manual unreliable as a source for determining the design and capabilities of the SensorVision dome before May 12, 1988. Therefore, the court finds that the SensorVision dome, as described in the '86 Manual, meets the requirements of the on sale bar.

B. Identity

To invalidate a patent claim, the prior invention offered for sale must "be something within the scope of the claim." Scaltech Inc. v. Retec/Tetra, L.L.C., 178 F.3d 1378, 1383 (Fed. Cir. 1999). To be within the scope of the claim, the invention must meet all of the limitations of the claim. Id. The five claims that Sensormatic maintains are invalidated by the SensorVision dome provide as follows, with the limitations that Lectrolarm contends the SensorVision dome does not meet underlined:

1. A remote control apparatus for a rotating camera base that supports a television camera such that it is rotatable in the horizontal and vertical directions, said remote control apparatus for a rotating camera comprising:

a first controlling means that outputs a digital signal for driving and controlling said rotating camera base,

a modem for receiving and transmitting said digital signal outputted from said first controlling means for driving and controlling said rotating camera base, said modem including a modulating circuit and a demodulating circuit;

a control box including said modulating circuit that outputs the modulated version of the digital signal from said first controlling means with a prescribed carrier wave, said modulating circuit being electrically connected to said first controlling means,

said demodulating circuit that recovers the digital signal from the modulated input from said modulating circuit being provided in said rotating camera base and electrically connected to said modulating circuit, and

a second controlling means that drives and controls said rotating camera base based on the digital signal from said demodulating circuit, said second controlling means being electrically connected to said demodulating circuit of said modem.

2. A remote control apparatus for a rotating camera base that supports a television camera such that it is rotatable in the horizontal and vertical directions, said remote control apparatus for a rotating base comprising:

an input means for inputting the operating data for the automatic operation of said rotating camera base,

a storing means electrically connected to said input means for storing the operating data inputted by means of said input means, said storing means including a random access memory, and

a controlling means that controls the automatic operation of the rotating camera base based on previously stored operating data stored in said storing means, said controlling means being electrically connected to said storing means

whereby operating data previously stored in said storing means is employed to automatically operate the rotating camera base in accordance with said previously stored operating data.

3. A remote control apparatus for a rotating camera base, as set forth in claim 2, wherein

said input means further includes a second input means for inputting the home position data used for making said rotating camera base rotate to prescribed home positions during automatic operation,

said storing means further stores the home position data inputted by means of said second input means,

an instructing means is further provided for inputting to said controlling means the instruction signals for making said rotating camera base rotate to prescribed home positions during automatic operation, said instructing means being electrically connected to said controlling means,

said controlling means further makes said rotating camera base rotate to a prescribed home position during automatic operation according to the instruction signals from said instructing means, based on said home position data stored in said storing means.

4. A remote control apparatus for a rotating camera base, as set forth in claim 2, wherein

said input means further includes a second input means for inputting the home position data used for making said rotating camera base rotate to prescribed home positions during automatic operation,

said storing means further stores the home position data inputted by means of said second input means,

external sensors that send an emergency signal to said controlling means are provided in said prescribed home positions and are electrically connected to said controlling means, and

said controlling means further makes said rotating camera base rotate to a prescribed home position based on the emergency signal sent from the external sensor and on said home position data stored in said storing means.

5. A remote control apparatus for a rotating camera base, as set forth in claim 4, that is further provided with

a disabling means that prevents, based on the emergency signal from said external sensors, said controlling means from making said rotating camera base rotate to a prescribed home position, said disabling means being electrically connected to said external sensor, and

a display means that shows the presence or absence of said emergency signal, said display means being electrically connected to said external sensor.

U.S. Patent No. 4,974,088, Column 10:10-11:41. All claims will be construed in accordance with the meanings provided in the Markman Order.

1. Claim 1

There is a genuine issue of material fact about whether the Sensormatic dome used a modem. In its Markman Order, the court defined a modem as "a device that modulates digital information onto a carrier wave and demodulates the signal to recover the digital information from the modulated carrier wave." (Markman Order 51.) The court further found that "'modulation onto a carrier wave' includes encoding digital data onto a pulse waveform in a format such as non-return to zero, return to zero, Manchester, or bi-phase." (Markman Order 24).

Sensormatic asserts that Lectrolarm's own expert, Dr. Bernard Sklar, acknowledged that the communication system used in the Sensormatic dome, which uses a non-return-to-zero format, would require modulation of digital information onto a carrier wave if the system involved transmission of electrical information over a cable to a camera in another room. (Sklar Dep.

90:16-91:25, Jan. 22, 2005.) Sensormatic's Rule 30(b)(6) witness about the SensorVision system, Robert Paff, who was one of the designers of the system, stated, however, that the system was *not* designed to modulate the signal or to use a carrier wave. (Paff Dep. 197:9-198:3, May 11, 2004.)

That a non-return to zero pulse code like that used in the SensorVision system *could* constitute modulation onto a carrier wave does not necessarily mean that it does meet that claim limitation, particularly when one of the system's designers has said that it does not. This evidence establishes a genuine issue of material fact about whether the SensorVision dome modulated digital information onto a carrier wave, as would be required to meet the definition of modem in the Markman Order. Furthermore, given the high showing required to invalidate a patent, the court finds that Sensormatic has not produced clear and convincing evidence that claim 1 of the '088 patent was anticipated by the SensorVision dome. Defendant Sensormatic's motion for summary judgment of invalidity of claim 1 is, therefore, denied.

2. Claim 2-5

As to claims 2, 3, 4, and 5, the parties contest whether the SensorVision dome has the required input means and whether it could perform automatic operations with the required operating data. The Markman Order defines the structure of the input means as "the control pad and a set of buttons and switches (including switches for inputting pan and tilt speeds, the interval scan switch, the memory set and clear buttons, and switches for

setting the particular mode of automatic operation) on the operating panel." (Markman Order 26.) The court has found that automatic operation is "movement of the camera base that is not directly responsive to input from a monitoring person (other than initiation of the automatic operation)." (Id. 52.) Operating data is defined as "data that controls the automatic operation of the camera base, and that is set through use of the structure of the input means." (Id.)

a. Input Means

In its response to Sensormatic's Memorandum in Further Support of its motion, Lectrolarm asserts that the SensorVision dome cannot be found to anticipate claims 2 through 5 because it does not include an interval scan switch, relying on the court's inclusion of the interval scan switch in the list of buttons and switches in its definition of the structure of the input means. Before the court issued its Markman Order, Lectrolarm proposed a definition of operating data that includes the language, "[T]he operating data must include at least position data...and stopping interval data. Operating data may also include data specifying speed of rotation, pan and tilt at the discretion of the user..." (Id. 30.) The court, however, found no basis in the patent for including this language. (Id.) Given the court's finding that the operating data need not include stopping interval data, it would be contradictory for the inclusion of the interval scan switch in the definition of the structure of the input means to be read as

a requirement rather than an example of the buttons and switches that could be included as part of the input means. Therefore, the fact that the SensorVision dome did not include an interval scan switch does not necessarily mean that it could not have anticipated claims 2 through 5 of the '088 patent.

b. Automatic Operation

Sensormatic asserts that the target, pattern, and sequence features of the SensorVision dome anticipate claims 2 through 5 of the '088 patent. Because the earliest mention of the sequence feature occurs in the Owners Manual, which has a copyright date of 1988, there is no clear evidence that SensorVision domes included the sequence feature before the critical date of May 12, 1988. Therefore, the court will consider only Sensormatic's claims as to the SensorVision dome's target and pattern features.

The target feature of the SensorVision dome allows the operator to move the camera to a pre-defined position in response to a command from the console. (Def.'s Mem. Supp. Ex. C at 2-19.) The pattern feature of the SensorVision dome allows the operator to store a number of camera positions, along with time stamps, to create a pattern of camera movements that the system can later duplicate on command. (Id. at 2-19 to 2-20.) Lectrolarm asserts that neither of these features meets the definition of automatic operation because neither involves rectilinear motion between preset points or automatic movement to a preset point when an

alarm is triggered, the two types of automatic operation described in the specification of the '088 patent. U.S. Patent No. 4,974,088, Column 5:57-61, 6:28-41.

In its Markman Order, the court relied on the two types of automatic operation described in the specification to define "automatic operation" and "operating data." (Markman Order 27-29.) Sensormatic asserts, however, that examples of automatic operation included in the patent specification cannot be used to limit the claims to include only those types of automatic operation. The Federal Circuit has warned against limiting claims to embodiments described in patent specifications. Phillips v. AWH Corp., 415 F.3d 1303, 1323 (Fed. Cir. 2005). The Federal Circuit has also instructed courts, however, about the importance of recognizing the difference between an embodiment that is meant to be merely an example to instruct others on the best way to make and use an invention and an embodiment that is meant to be coextensive with the patent claims. Id.

In the context of the '088 patent, the modes of automatic operation described in the specification were meant to be coextensive with the term "automatic operation" as it is used in claims 2 through 5, which the court recognized in its Markman Order by defining "automatic operation" and "operating data" according to the features and limitations of the modes described in the patent specification. Therefore, because the target and

pattern features of the SensorVision dome do not constitute either of the modes of automatic operation described in the patent specification, they do not involve automatic operation, as defined in the Markman Order, and Defendant Sensormatic's motion for summary judgment of invalidity of claims 2 through 5 is denied.

IV. Conclusion

Defendant Sensormatic Electronics Corp.'s motion for summary judgment of invalidity of patent claims 1-5 is DENIED.

So ordered this 6th day of February 2006.

s/Samuel H. Mays, Jr.

SAMUEL H. MAYS, JR.

UNITED STATES DISTRICT JUDGE